

# CORRECTIONS AND REHABILITATION

The May Revision continues the Administration's commitment to public safety and rehabilitation in programs operated by the Department of Corrections and Rehabilitation (CDCR).

- 2006-07 -\$4.6 million
- 2007-08 \$113 million

The May Revision proposes an increase of \$113 million General Fund for the CDCR, including the following:

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## EXPANSION OF CAPACITY AND REHABILITATIVE PROGRAMS

On May 3, 2007, the Governor signed AB 900 (Chapter 7, Statutes of 2007), which provides for a critical expansion of capacity in the state prison system. AB 900 emphasized expanding rehabilitative programs and measuring outcomes through performance goals to reduce the high rate of recidivism among adult offenders.

AB 900 appropriated \$50 million for the CDCR to expand rehabilitative programs. AB 900 also authorized the construction of additional infill beds at existing facilities and the creation of re-entry facilities for the incarceration of inmates who have served the majority of their terms near the communities into which they will eventually be released.

The May Revision does not include funding for all of the potential fiscal impacts associated with AB 900. The Governor has convened multi-disciplinary "Strike Teams" to review

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and make recommendations on the programmatic and construction-related aspects of AB 900 implementation. Once the Strike Teams have evaluated the fiscal implications of AB 900, implementation plans and resource needs beyond those appropriated in AB 900 will be presented to the Legislature. The May Revision includes the following:

### **TEACHER VACANCIES**

An increase of \$11.7 million General Fund in 2007-08 and \$27.8 million in 2008-09 to fill vacant teacher positions in adult institutions. By filling teacher vacancies, the CDCR will be able to provide educational and vocational services to an additional 6,372 inmates annually.

### **OUT-OF-STATE BEDS**

An increase of \$9.6 million in 2007-08 and \$14.6 million in 2008-09 to reflect the transfer of up to 5,060 inmates to correctional facilities in other states. AB 900 authorizes these transfers, and this will provide immediate relief for overcrowding in the prison system and enhance the safety of the conditions under which employees work and inmates are housed.

### **STATE AND LOCAL FACILITIES**

An increase of \$581,000 General Fund for the CDCR's Office of Facilities Management to provide immediate staffing needs to support the prison construction projects authorized by AB 900 and \$2 million General Fund for the Corrections Standards Authority to administer the local jail bed construction grants authorized by AB 900.

### **DENTAL AND MENTAL HEALTH PLANS**

The enactment of AB 900 will allow the CDCR to begin to address the much-needed space issues for mental health care and dental care. The design and construction of six mental health projects resulting in beds or treatment space for 775 inmates at a cost of \$199.6 million as well as \$285 million for dental facilities at seven institutions will be allocated from the \$857.1 million in lease revenue bond authority granted in Phase I of AB 900 for the purpose of mental health, medical, and dental care. The CDCR continues to refine the estimated costs for the balance of the approximately 4,000 mental health beds that have been proposed to the Coleman court in the December 2006 Mental Health Bed plan. The CDCR will be working in conjunction with the Coleman and Perez courts and the federal Receiver appointed by the Plata court to provide the most efficient, consolidated use of space to provide constitutionally adequate health care to all CDCR inmates.

### **OTHER RELATED ADJUSTMENTS**

In addition to the items noted above, the May Revision reverses the savings that were assumed for direct discharge and diagnostic evaluations and removes the funds proposed for creation of the California Sentencing Commission. The Administration is withdrawing the

proposed statutory changes that accompanied these savings and expenditure proposals. However, the Administration continues to seek statutory authority proposed in the Governor's Budget for up to 4,500 beds in Female Rehabilitative Community Correctional Facilities.

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## **PROGRAM ENHANCEMENTS AND OTHER BUDGET ADJUSTMENTS**

The May Revision reflects changes to the CDCR's adult, juvenile and parolee population, as well as other policy, caseload and court-driven adjustments.

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### **ANTI-GANG EFFORTS**

#### **CRIMINAL INTELLIGENCE ANALYSIS UNIT**

\$8.5 million is proposed in 2007-08 for the CDCR to aggressively address the prison gang problem by implementing a sophisticated gang intelligence-gathering and analysis system statewide. The Criminal Intelligence Analysis Unit (CIAU) will be staffed by specialized criminal intelligence gang investigators and analysts. CIAU experts will track the expansion of criminal enterprises and build computerized databases to provide federal, state and local law enforcement with vital information. Included in this proposal is a \$5.5 million grant from the state Office of Homeland Security to create a Threat Assessment Center to help coordinate the analysis and dissemination of gang intelligence.

#### **REGIONAL GANG TASK FORCES**

\$3.3 million is proposed for the CDCR to create three pilot task forces for Los Angeles, the Bay Area, and the Inland Empire to work with local law enforcement to disrupt gang activity in their areas. These special agents will utilize the information generated by the CIAU to search out and destroy organized gang crime by collaborating with police officers, sheriff's deputies, prosecutors and various federal agencies.

#### **PROJECT IMPACT**

\$820,000 is proposed to operate Project IMPACT (Incarcerated Men Putting Away Childish Things) in more juvenile justice facilities, and to create two 10-bed transitional homes in Northern and Southern California communities. Adult gang members developed Project IMPACT to free younger gang members from the violent cycle of crime and incarceration.

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**ADULT INMATE/PAROLEE POPULATION/CASELOAD CHANGES**

**CURRENT YEAR**

Based upon the latest estimates, including the most recent actual population data, the May Revision reflects an estimated institutional Average Daily Population (ADP) of 172,369 inmates for the current year. This is 1,032 less than projected in the 2007-08 Governor's Budget. This is due to a slower rate of new admissions from the courts and a lower number of parole violators with new terms than projected.

The projected parolee ADP is 120,717 for the current year. This is an increase of 1,569 from the number projected in the Governor's Budget.

The net effect of these population changes is an increase to the General Fund of \$3.3 million and an increase of \$622,000 to the Inmate Welfare Fund.

**BUDGET YEAR**

The May Revision reflects an estimated institutional ADP of 174,300 inmates for the budget year. This is 3,277 less than projected in the Governor's Budget. The decrease in population is mainly due to a projected decrease in new admissions from the court and parole violators with new terms.

The projected parolee ADP is 124,862 for the current year. This is an increase of 2,714 from the number projected in the Governor's Budget. The parole population is expected to increase due to a significant increase in the number of inmates released to parole. The population changes will reduce costs to the General Fund by \$46.0 million and reduce costs to the Inmate Welfare Fund by \$974,000.

The May Revision also reflects a reduction of 1,039 institutional ADP and 4,397 of parolee ADP resulting from the discharge of parolees after 12 months of clean time. The effect of this change is \$31.2 million General Fund in 2007-08 and \$58.3 million in 2008-09 and ongoing.

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**ADULT LOCAL ASSISTANCE**

The May Revision includes \$16.9 million to fully fund local entities for costs incurred for the prosecution of inmate crimes, housing state inmates, and various other county services related to state inmates.

The Governor's Budget provided \$15.3 million for the costs associated with prosecuting crimes committed by state inmates and other county services related to state inmates. Based on claims received, the projected total cost of claims for 2007-08, including the

outstanding balance from 2006-07, will be \$24.6 million, resulting in a shortfall of \$9.3 million. The May Revision includes \$7.8 million in one-time funding for 2007-08 to pay the outstanding current-year claims, along with \$1.5 million to adequately fund the base to pay projected claims in 2007-08.

In 2005-06, the Administration, working with representatives of local law enforcement entities, created a methodology to establish the Daily Jail Rate based on the state's costs to house similar inmates and provide routine medical care. At that time, the Administration committed to reassessing and revising the Daily Jail Rate each year based on this methodology. The revised Daily Jail Rate for 2007-08 will increase from \$71.57 to \$77.17. The May Revision includes an additional \$1.5 million to reimburse local entities for the costs of housing state inmates and supplying routine medical care at the revised rate. The May Revision also includes \$6.1 million to reimburse the Los Angeles County Sheriff's Department for the delay in moving inmates out of the Pitchess Detention Center.

Finally, the May Revision proposes statutory changes intended to ensure that local entities submit their claims to either the CDCR or the State Controller in a timely manner.

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## **OTHER ADULT POPULATION ADJUSTMENTS**

### **PEACE OFFICER SELECTION UNIT**

The May Revision includes \$18.7 million in 2007-08 to augment the CDCR's peace officer recruitment efforts. The CDCR will take aggressive steps to fill its correctional officer academies. These funds will be used for marketing and advertising, and to address the expected significant increase in applications for correctional officer positions.

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## **WARD/PAROLEE POPULATION/CASELOAD CHANGES**

### **CURRENT YEAR**

For 2006-07, the May Revision estimate for the year-end juvenile institution population is 2,450, a decrease of 180 wards from the projection in the Governor's Budget. This decrease is primarily due to fewer juvenile court first admissions. In addition, the year-end juvenile parole population is projected to be 2,765, a decrease of 10 parolees from the Governor's Budget projection. Despite the ward and parolee population decline, an additional \$1.2 million is requested to address cadet training costs at the R.A. McGee Correctional Training Center and to meet the staffing ratios necessary to maintain compliance with the court orders issued in the Farrell v. Allen lawsuit.

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General Fund expenditures for juvenile institutions are partially offset by General Fund revenues from the sliding scale fees paid by counties. In 2006-07, these revenues are estimated to be \$16.2 million, a decrease of \$568,000 from the revenue expected at the time of the Governor's Budget.

### BUDGET YEAR

For 2007-08, the year-end juvenile institution population is projected to be 2,340, a decrease of 150 wards from the projection included in the Governor's Budget. This decrease is primarily due to fewer juvenile court first admissions. Additionally, the year-end juvenile parole population is estimated to be 2,385, a decrease of 20 parolees since the Governor's Budget estimates. The effect of these population changes is decreased costs to the General Fund of \$2.5 million, which reflects the closure of one Division of Juvenile Justice (DJJ) facility.

In 2007-08, the sliding scale fees paid by counties are estimated to be \$15 million, a decrease of \$807,000 compared to the revenue expected at the time of the Governor's Budget.

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## CORRECTIONAL HEALTH CARE SERVICES

The May Revision proposes \$45.9 million General Fund in 2007-08 to address various court requirements related to the provision of medical, dental, and mental health care services. Specifically, the May Revision includes the following adjustments:

- Health Care Services Administration Funding—To better address cross-cutting activities related to the Plata, Perez, and Coleman lawsuits, the Administration proposes to add \$25 million General Fund in 2007-08 to the \$150 million proposed in the Governor's Budget for activities of the Receiver appointed by the Plata court and to make this total of \$175 million in funding available to the Receiver and for coordinated efforts of the Plata, Perez and Coleman courts to address shared administrative and program efforts, such as health care information technology projects, contract management, and pharmacy services.
- Ongoing Plata Receivership Costs—The Budget Act of 2006 included \$100 million for activities of the Receiver appointed by the court in the Plata lawsuit. The Governor's Budget included an additional \$50 million for 2006-07. Since the Governor's Budget, approximately \$28.7 million in additional funds have been transferred, for a total of approximately \$79 million transferred to date in 2006-07. These transfers result in ongoing costs of approximately \$73.2 million in 2007-08. The May Revision proposes approximately \$18.2 million, in addition to the \$54.6 million proposed in the Governor's

Budget, for the ongoing costs of the transfers requested by the Receiver in the current year.

- Inmate Dental Services Program—\$2.7 million General Fund to allow the CDCR to rollout Phase IV of the Inmate Dental Services Program as required by the stipulation reached in the Perez lawsuit and to provide additional headquarters staffing within the Dental Program.
- Hiring Plan for Dental and Mental Health Programs—Additional position authority to allow the CDCR to address its difficulty in hiring and retaining necessary dental and mental health professionals. This proposal is primarily designed to provide the CDCR with dedicated staff to expedite its hiring process so it can fill critical positions within the dental and mental health programs. The positions will be funded within existing resources and will complement the \$1 million proposed in an April 1 Finance Letter for the Department of Personnel Administration to recruit additional dental and mental health professionals.
- In addition to these court-driven issues, the May Revision also proposes to transfer all health care guarding and transportation costs to the Health Care Services Program. This will better enable the Health Care Services Program to manage and oversee guarding and transportation costs related to the health care programs. This will result in a net zero impact on the CDCR's budget, but will align resources within the program where the expenditures are incurred.

#### **OTHER COURT-DRIVEN AUGMENTATIONS**

- Coleman Cell Modifications—\$4.6 million one-time General Fund to continue state efforts to reduce the potential for suicides within cells where suicides are most prevalent in response to the Coleman court's orders. This proposal would allow the CDCR to retrofit 124 existing mental health acute care cells at the California Medical Facility to remove all hanging attachment sites. This proposal would also allow the CDCR to modify or replace vent screens in 2,235 mental health cells within 45 administrative segregation units at 28 prisons statewide.
- Valdivia Parole Revocation Process Monitoring—\$1.6 million General Fund to provide staff dedicated to the compliance and monitoring of the parole revocation process. This proposal would allow the CDCR to accelerate its compliance with court orders and ultimately this class action lawsuit.

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- Rutherford Transcription Services—\$1.3 million General Fund to provide contract funding for the Board of Parole Hearings to transcribe lifer hearings and place the transcription online.
- Armstrong Remedial Plan—\$2.8 million General Fund in 2006-07 and \$7.4 million in 2007-08 to comply with a federal injunction requiring compliance with the Americans with Disabilities Act (ADA) within correctional facilities. This plan would enhance tracking of ADA inmates, establish ADA compliance and tracking positions within facilities, and create and staff a new correctional sign language interpreter classification. Funding and staff are being proposed on a two-year limited term basis.

The Receiver submitted his budget proposal to the Administration and the Legislature on May 11, 2007. The Administration will immediately begin reviewing that proposal with the intent to provide its recommendations and funding options to the Legislature prior to the commencement of the Budget Conference Committee.

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### UPDATE TO THE LOCAL HOUSING OF THE JUVENILE JUSTICE POPULATION

The May Revision reflects a net decrease of \$7.2 million General Fund as a result of adjusting the per capita cost for housing wards within the DJJ to reflect 2007-08 costs and revising the number of juvenile offenders that will be housed locally based on updated estimates of intake. The Governor's Budget assumed that the DJJ's institution population would be reduced by 1,338 juvenile offenders by June 30, 2008. The DJJ's institution population is now projected to decrease by 931 juvenile offenders by June 30, 2008.

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### CALIFORNIA ADULT PROBATION ACCOUNTABILITY AND REHABILITATION ACT

The May Revision proposes \$25 million in ongoing funding for the California Adult Probation Accountability and Rehabilitation Act (CAPARA) to provide all local probation departments with a dedicated funding source to increase the effectiveness of adult probation services in California. The CAPARA is designed to support statewide local probation department efforts to reduce crime through improved rehabilitative services and increased supervision of adult probationers ages 18 to 25.